

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: UNIVERSAL SERVICE FUND	DOCKET NO. NOI-99-1
--------------------------------------	---------------------

ORDER TERMINATING INQUIRY

(Issued March 4, 2004)

On March 5, 1999, the Utilities Board (Board) initiated an inquiry to consider issues associated with preserving and advancing universal service in a changing telecommunications marketplace. The Board described the goal of its universal service as a policy that would allow every home and business to have a telephone. This goal would be achieved through affordable rates and comparable service to all customers.

The Board recognized that changes in the telecommunications marketplace, including the introduction of competition in the local exchange marketplace, could adversely affect the availability of universal service, as competition could center on the most profitable service areas, while areas with a higher cost to serve each customer could experience higher rates and inferior service. In order to investigate this possibility and determine whether additional regulatory efforts were necessary or appropriate, the Board initiated this inquiry, which was conducted in stages.

First, the Board issued a notice that included a set of initial questions and invited interested persons to respond in writing. The Board also appointed an inquiry

manager, who scheduled informal workshops to clarify and develop the responses. The Board's expectation was that after the workshops, it would have sufficient information to draft proposed rules, if necessary.

After receiving comments and conducting workshops, the Board determined that no proposed rules are required at this time. Accordingly, this inquiry can be terminated.

IT IS THEREFORE ORDERED:

Docket No. NOI-99-1, In re: Universal Service Fund, is terminated.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 4th day of March, 2004.